**THE HON'BLE SRI JUSTICE BILAL NAZKI**

**and**

**THE HON'BLE SRI JUSTICE S.ANANDA REDDY**

**WRIT PETITION NO.21075 OF 2005**

Date:13th December, 2005

Between:

Gram Panchayat Bhoopalpalli …Petitioner

And

The Project Officer, Singareni Collieries

Company and others …Respondents

**THE HON'BLE SRI JUSTICE BILAL NAZKI**

**and**

**THE HON'BLE SRI JUSTICE S.ANANDA REDDY**

**WRIT PETITION NO.21075 OF 2005**

**O R D E R (Per the Hon'ble Sri Bilal Nazki, J):**

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This writ petition has been filed by the Gram Panchayat against a Public Sector Company complaining that the Company is not paying the property tax towards the Gram Panchayat.

The Act i.e., the Andhra Pradesh Panchayat Raj Act, 1994 (for short “the Act”) and the Rules made thereunder lay down the method for recovery of tax from defaulters. It is our considered view that this Court cannot be used for the purpose of making recoveries of tax from alleged defaulters when a methodology is laid down under the Rules relating to certain taxes vide G.O.Ms.No.30, dated 20-01-1995 . Therefore, in our view, this writ petition is devoid of merit and cannot be entertained, giving liberty to the petitioner to proceed against respondent Nos.1 and 2 for recovery of tax dues in accordance with the Act and the Rules made thereunder.

During the course of hearing, learned counsel appearing for the respondents submitted that, as they have been spending money for the development of the area, they were of the view that the arrears, if any, could be compounded in terms of Section 72 of the Act.

Section 72 of the Act contemplates that a Gram Panchayat may, on application by the owner of a factory or a contiguous group of buildings, permit him to compound all or any of the taxes payable by him under this Act, by paying in lieu thereof such lump sum amount as may be agreed upon between him and the Gram Panchayat, but if there is a disagreement, the Gram Panchayat is required to refer the matter to the Government through the District Collector.

In this view of the matter, as learned counsel for respondent Nos.1 and 2 submits that an application for compounding of tax has already been filed by them on 13-10-2005, we direct the petitioner to consider the said application and pass appropriate orders.

With these observations, the writ petition is disposed of. No order as to costs.

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(Bilal Nazki, J)

13th December, 2005

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(S.Ananda Reddy,J)

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